

## North Carolina Department of Agriculture & Consumer Services

### Standards Division

For FY 2010-11, the Standards Division has a budget of \$6,911,286 which is funded by appropriation, receipts, and a ¼ cent per gallon inspection tax paid on motor fuels and kerosene. The authority for the inspection tax is G.S. 119-18(a). The proceeds of this levy are applied according to G.S 119-18(b) to fund programs within the Standards Division and other state agencies.

Funding: Total Expenditures      \$6,911,286

Revenues              \$5,116,132              (inspection tax)

Receipts               \$783,086               (license fees, civil penalties)

Appropriated        \$1,012,068

Staff:    Total FTE            101            (84 of which are funded through inspection tax)

#### ***§ 119-18. Inspection tax and distribution of the tax proceeds.***

*(a) Tax. – An inspection tax of one fourth of one cent (1/4 of 1¢) per gallon is levied upon all of the fuel listed in this subsection regardless of whether the fuel is exempt from the per-gallon excise tax imposed by Article 36C or 36D of Chapter 105 of the General Statutes.*

*(1) Motor fuel.*

*(2) Alternative fuel used to operate a highway vehicle.*

*(3) Kerosene.*

*(4) Jet fuel.*

*(5) Aviation gasoline.*

*(b) Proceeds. – The proceeds of the inspection tax levied by this section shall be applied first to the costs of administering this Article and Subchapter V of Chapter 105 of the General Statutes. The remainder of the proceeds shall be credited on a monthly basis to the Commercial Leaking Petroleum Underground Storage Tank Cleanup Fund and the Noncommercial Leaking Petroleum Underground Storage Tank Cleanup Fund.*

The Standards Division operates all or part of four programs (Motor Fuels Quality, LP-Gas Inspection, Measurement, and the Metrology Laboratory), from the inspection tax as well as funding administrative staff positions at the Division and Department level. In the fall of FY 2010-11, the Division began budgeting at a program level, rather than at the division level. Therefore the budget for each program is an estimate as this process is still ongoing and the “cost” for each will be better determined at the end of the fiscal year.

- The Motor Fuels Quality Section is responsible for enforcing motor fuel quality standards (gasoline, diesel fuel, and alternative fuels), heating fuel quality standards (kerosene and fuel oil), and motor oil quality standards. This program is entirely funded through the inspection tax.

Staff: 1 program manager                      1 field supervisor  
           1 laboratory manager                11 field chemists (chemistry technician II)  
           4 octane analysts                      1 courier driver  
           4 chemists                                1 general utility worker  
           1 chemistry technician I            1 processing assistant III

Funding:            Total Expenditures \$1,896,268 (inspection tax)

- The LP - Gas Section performs safety inspections of LP-Gas (propane) installations including bulk plants, propane dispenser locations and commercial/residential tanks; and inspects LP-Gas transportation vehicles and measuring systems. This program is also responsible for issuing LP-Gas Dealer's Licenses and approval of plans for LP-Gas bulk plants.

Staff: 1 program manager  
           5 bulk plant inspectors  
           3 truck/meter inspectors

Funding:            Total Expenditures      \$550,942  
                                  Revenues            \$541,315            (inspection tax)  
                                  Receipts                \$9,627 (receipts & civil penalties)

- The Measurement Section inspects weighing and measuring devices for accuracy (scales, scanners, retail fuel dispensers, and fuel oil meters on trucks and at distribution terminals) and performs inspections of packaged goods to ensure that they contain the stated net contents. Those staff listed in **bold** are funded through the inspection tax.

Staff: 1 program manager  
           **3 field supervisors**  
           **4 calibrators (inspect truck and terminal meters)**  
           **11 gas & oil inspectors (dedicated to retail fuel dispensers)**  
           **12 dual role inspectors (located in rural areas where they perform inspections on retail fuel dispensers and scales, packages, price scanning systems).**  
           3 dual role inspectors  
           6 weights & measures inspectors (dedicated to scales, packages and price scanning systems)  
           **2 weights and measures inspectors**

3 heavy scale inspectors (vehicle, livestock and other large capacity scales)  
1 long distance truck driver

Funding:	<u>Total Expenditures</u>	<u>\$2,774,526</u>	
	Revenues	\$1,509,407	(inspection tax)
	Receipts	\$504,459	(license fees, civil penalties)
	Appropriated	\$760,660	

- The Standards Laboratory (Metrology Lab) performs mass, length, volume, and temperature measurement calibrations that are traceable to national standards. The laboratory supports the Measurement Section through calibration of inspectors' standards (including various weights, test measures from 5 – 1320 gallons, LP-Gas provers) used in inspections of retail and commercial devices. The Grain Moisture Meter Inspection program operates within the Standards Laboratory and is responsible for these devices as well as scales, test weights and charts used in the grain buying industry. Those staff listed in **bold** are funded through the inspection tax.

Staff:	<b>1 program manger</b>	1 grain moisture program supervisor
	<b>1 metrologist II (Quality Manager)</b>	2 grain moisture meter inspectors
	<b>3 metrologist I</b>	<b>1 processing assistant III</b>
	1 metrologist I	<b>1 maintenance mechanic II</b>

Funding:	<u>Total Expenditures</u>	<u>\$887,450</u>	
	Revenues	\$416,019	(inspection tax)
	Receipts	\$247,000	(license fees, calibration fees)
	Appropriated	\$224, 341	

- In addition to these programs, there are administrative costs funded by the inspection tax. At the Division level, this includes the Division Director, Admin. Assistant, 2 Processing Assistants and an Applications Analyst. These positions perform administrative tasks for the Division. For reasons of time and efficiency, expenses such as phone bills, office supplies and similar costs are paid out of the administration budget rather than the individual program budgets.

Staff (Division):	1 division director
	1 administrative assistant
	1 processing assistant IV
	1 processing assistant III
	1 business & technology applications analyst

Funding (Division):	<u>Total Expenditures</u>	<u>\$445,041</u>	
	Revenues	\$395,974	(inspection tax)
	Receipts	\$22,000	(surplus properly)
	Appropriated	\$27,067	

Staff (Department):

- 1 deputy secretary/commissioner II
- 1 executive assistant I
- 1 administrative officer II
- 1 accountant II

Funding (Department):	<u>Total Expenditures</u>	<u>\$357,059</u>	(inspection tax)
-----------------------	---------------------------	------------------	------------------